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## IRANIAN POLITICAL STABILITY THREATENED BY-SHAH'S DETERMINATION TO RULE SUPREME

The Shah, apparently convinced that he has consolidated in his dwn hands all political power in Iran, is determined to rule supreme.

A. Despite his close personal attention to the affairs of state, however, the Shah appears to be completely unaware of the growing dissatisfaction and political frustrations which could threaten the very existence of his regime.

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- B. The continued lack of progress toward reform -- largely caused by Approved For Release 2003/10/01: CIA-RDE PROBS90A0008800100002-6 the Shahls reductance to let Prime Minister Equal fire inefficient and corrupt officials -- will strengthen sentiment for the abolition of the monarchy.
  - 1. Bitter criticism of the Shah's rule has come from members of the Iranian ruling class, including the Shah's half-brother. Prince Abdor Reza, members of the cabinet, Majlis deputies, high-ranking army and police officers, religious leaders, and politically powerful landowners.
- C. While this discontent and criticism has been growing among Iranians, especially among those of the Middle Class, there is apparently no group or combination of groups strong enough to challenge the Shah's power and force him to "reign not rule."

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25X1 (	l There is no indication that a viable opposition movement will Approved for Release 2003/10/01: CIA-RIA beauty 500-000-6
	develop in the immediate future;
d. n	- 12 The Shah is able to play one petertial leader against the
	others. They do not trust each other enough to form an
25X1	reffective coalition.
14.	
II.	Equal has repeatedly threatened to resign in recent months if the Shah
	continues to interfere in governmental activities, but he has made no
	such threats since the Shah's return from Europe in mid-July even though
	the Shah has become more embroiled than ever in the daily affairs of
25X1	government.
	A. despite his dailure to resign, Equal is
25X1	probably finished as prime minister.

- 1. He has reportedly lost the confidence of the Shah and all of Approved For Release 2003/10/01: CIA-RDP79R00890A000800100002-6 his own friends.
- 2. The Shah gives no indication that he intends to throw his support behind the Eqbal government nor that he will tolerate it beyond the time necessary to make other arrangements.
  - a. The Shah will probably keep Eqbal in office, however, until he (the Shah) is able to groom another candidate whom he believes he can dominate completely.
- 3. Should the Iranian people continue to feel a lack of confidence in the government, the Crown, as a national symbol and institution, could be seriously damaged.

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